



THE MEDI-CAL PROGRAM

A BRIEF SUMMARY OF MAJOR EVENTS

INTRODUCTION

The California Medical Assistance Program (Medi-Cal) was established pursuant to Chapter 4, Statutes of 1965, by the Second Extraordinary Session of the California Legislature. The program was enacted to take advantage of federal funds made available by the 1965 Title XIX amendments to the Social Security Act. The stated purpose was to provide “basic and extended health care and related remedial or preventive services to recipients of public assistance and to medically needy aged and other persons, including such related social services as are necessary”.

A further intent of the program was that the medical care should be mainstream. Mainstream was defined as comparable to care purchased out of pocket or through private insurance. Prior to Medi-Cal many public assistance and medically needy persons were forced to rely on charitable institutions, especially county hospitals. These hospitals were generally prohibited by law from accepting paying patients.

The new program also required certain basic services be made available to all beneficiaries. Under the medical programs replaced by Medi-Cal, it was possible to deny medical services to adults in aid to needy children cases, but provide them to other adult beneficiaries.

The federal law required the State to work towards general improvement in the amount and quality of medical care provided to beneficiaries, improvements in medical social services, and improvements in the organization and delivery of medical care to eligible beneficiaries.

This report is the latest in a report series that tracks key events in the evolution of the Medi-Cal Program. This annual update covers events that affected Medi-Cal in Calendar Year 2002 only. Copies of prior years reports are available upon request.

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HIGHLIGHTS OF 2002 PROGRAM CHANGES

The following discusses the major changes in Medi-Cal and related programs during calendar year 2002.

Genetic Disease Screening Increase, January 2002

The Hereditary Disorders Act (Section 125000 of the Health and Safety Code) requires screening of all newborns for heritable metabolic disorders, sickle cell disorders, and hereditary hemoglobin. The Genetic Disease Testing Program, which provides these screens, is required to be self-supporting through the collection of participation fees. The Department has promulgated regulations that increase these fees effective January 1, 2002, from \$42 per screening to \$56 and effective July 1, 2002, from \$56 to \$60. Based on calendar year 2000 data, total annual estimated deliveries covered by Medi-Cal for both fee-for-service and managed care are 180,400.

Breast and Cervical Cancer Treatment, January 2002

The Breast and Cervical Cancer Treatment Program (BCCTP) was created and funded effective January 1, 2002, by the Budget Act of 2001 (Chapter 106, Statutes of 2001). BCCTP is for women under age 65 who are legal immigrants and who have no other health coverage.

Women with inadequate health coverage, undocumented persons, and males are covered for cancer treatment only under a State-only funded program. Coverage is limited to 18 months for breast cancer and 2 years for cervical cancer. This estimate also includes the cost of emergency services for undocumented persons for the duration of the cancer treatment.

Beneficiaries must be screened through Center for Disease Control and Prevention (CDC) providers.

Partnership HealthPlan of California – CMSP: Solano County, February 2002

A new County Medical Services Program (CMSP) managed care type plan, Partnership HealthPlan of California – CMSP (PHC-CMSP), began a two-year pilot in Solano County.

Solano County already has a County Organized Health System plan referred to as (COHS) Partnership HealthPlan of California (HCP 504) and should not be confused with this new program (HCP 530).

HCFA Name Change, February 2002

The Health Care Financing Administration (HCFA) has been renamed to Centers for Medicare & Medicaid Services (CMS). CMS is the federal agency that oversees the various state Medicaid programs such as California's Medi-Cal Program.

Board & Care Personal Needs Deduction, February 2002

Effective February 1, 2002, Medi-Cal Medically Needy-Aged, Blind or Disabled beneficiaries who are residing in a licensed community care (board and care) facility were allowed an \$81 monthly personal needs deduction while they are in board and care.

New Dental Benefits for Pregnant Women, April 2002

New Denti-Cal services are available to women who qualify for pregnancy-related and/or emergency services only. These benefits were added due to recent scientific evidence showing an association between periodontal disease in pregnant women and adverse birth outcomes. These benefits may help prevent pre-term delivery and low birth weight, which is important for the health of both the mother and her newborn. If a pregnant beneficiary is not currently under the care of a dentist, providers are encouraged to refer her to one during her pregnancy.

CalWORKs Medi-Cal Support Restriction Codes, June 2002

Under current regulations, CalWORKs applicants and recipients who refuse to cooperate with child support and medical support enforcement have their grants reduced by 25% and should be denied or discontinued from the Medi-Cal program. Since MEDS and the county computer systems have linked CalWORKs recipients with Medi-Cal, there has been no operational method to provide CalWORKs grants and not provide Medi-Cal benefits. Effective with June 2002 benefits, restriction codes will be instituted on MEDS so that county welfare department (CWDs) can approve or reduce applicant or recipient CalWORKs grants and deny or discontinue their Medi-Cal benefits.

NOTE

For information about Medi-Cal managed care, please refer to our new report entitled "2002 Managed Care Annual Statistical Report", which is available on the Internet. The Internet Home Page for Medical Care Statistics is <http://www.dhs.ca.gov/mcss>.